Authority: General Government and Licensing Committee, Item GL10.8, as adopted by City of Toronto Council on December 17 and 18, 2019, and § 169-5.2 of City of Toronto Municipal Code Chapter 169, Officials, City

#### **CITY OF TORONTO**

#### **Bill 477**

#### BY-LAW -2020

#### To amend City of Toronto Municipal Code Chapter 213, Real Property, Sale Of

Whereas Council authorized amendments to the City of Toronto Municipal Code to include the delegated authorities of staff in Real Estate Matters, as approved by Council, and as amended from time to time, on December 17 and 18, 2019; and;

Whereas Toronto Municipal Code Chapter 213, Real Property, Sale Of, requires minor editorial amendments to reflect statutory changes and to adopt clear language;

The Council of the City of Toronto enacts:

1. City of Toronto Municipal Code, Chapter 213, Real Property, Sale Of, is amended by replacing Chapter 213 with the updated version attached as Schedule A to this by-law.

Enacted and passed on June , 2020.

Frances Nunziata, Speaker Ulli S. Watkiss, City Clerk

(Seal of the City)

#### **SCHEDULE A**

#### TORONTO MUNICIPAL CODE

#### Chapter 213

#### **REAL PROPERTY**

#### ARTICLE 1 Sale of Land

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§ 213-1.2. Definitions.

§ 213-1.3. Conditions for a sale of land.

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§ 213-2.2. Delegation of Approval Authority

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§ 213-2.4. Land Acquired by Expropriation

Appendix A, Delegated Approval Authority

**Appendix B, General Conditions** 

# ARTICLE 1 Sale of Land

### § 213-1.1. City policy.

Article 1 of this chapter constitutes the City's policy with respect to its sale and other disposition of land as required by paragraph 1 of subsection 212(1) of City of Toronto Act, 2006.

### § 213-1.2. Definitions.

As used in this article, the following terms shall have the meanings indicated:

ACT - City of Toronto Act, 2006 and includes regulations made under it.

APPRAISAL - Written opinion of value providing information sufficient to satisfy the Deputy City Manager, Corporate Services that the opinion is reasonable.

CLERK - Clerk of the City of Toronto, including a successor and designate from time to time.

DEPUTY CITY MANAGER, CORPORATE SERVICES - The City's Deputy City Manager, Corporate Services including a successor and designate from time to time.

LAND - Land as defined in the Act, that is owned by the City, or that is owned by its agencies, boards or commissions, the jurisdiction for the sale of which has been transferred to the City.

PUBLIC LAND REGISTER - The Public Register of Land owned by the City.

PURCHASER - Any person who enters into an agreement with the City to acquire land by way of a sale.

SALE - A commitment to sell or otherwise dispose of land, including a disposal by way of a lease where the unexpired term of the lease, including any rights of renewal or extension, exceeds 21 years.

SURPLUS - Land which the City intends to sell or otherwise dispose of.

TRANSIT PROJECTS - The Finch West LRT, Eglinton Crosstown LRT, Scarborough RT replacement, Sheppard East LRT, SmartTrack, Metrolinx Regional Rail Project and, for the purposes of Article 1 of this chapter, includes the Agincourt Grade Separation.

#### § 213-1.3. Conditions for a sale of land.

Before a sale of any land:

- A. The land shall be declared surplus and the intended manner or process by which the sale of the land will be carried out shall be approved;
- B. At least one appraisal of the fair market value of the land shall be obtained; and
- C. Notice of the proposed sale shall be given to the public.

## § 213-1.4. Sale to public bodies.

Following consultation with the local Councillor or, if the land abuts other wards, the local Councillors, and provided that the local Councillor(s) does not require the determination to be made by Council, the Deputy City Manager, Corporate Services may determine that § 213-1.3B does not apply to a sale of land to the following public bodies:

- A. A municipality.
- B. A local board, including a school board and a conservation authority.
- C. The Crown in right of Ontario or Canada and their agencies.

### § 213-1.5. Sale of certain classes of land.

Following consultation with the local Councillor or, if the land abuts other wards, the local Councillors, and provided that the local Councillor(s) does not require the determination to be made by Council, the Deputy City Manager, Corporate Services may determine that § 213-1.3B or C, or both, do not apply to a sale of land in the following classes:

- A. Land 0.3 metre or less in width acquired in connection with an approval or decision under the Planning Act.
- B. Closed highways if sold to an owner of land abutting the closed highways.
- C. Land formerly used for railway lines if sold to an owner of land abutting the former railway land.
- D. Land that does not have direct access to a highway if sold to the owner of land abutting that land.
- E. Land repurchased by an owner in accordance with section 42 of the Expropriations Act.
- F. Easements.

## § 213-1.6. Authority to declare surplus.

Following consultation with the local Councillor, and provided that the local Councillor does not require the matter to be determined by Council through the General Government and Licensing Committee, the Deputy City Manager, Corporate Services is authorized to declare land surplus and to approve the intended manner or process by which the sale of the land will be carried out, and in so doing, the Deputy City Manager, Corporate Services shall give consideration to the potential turnover or sale of such land to Build Toronto.

## § 213-1.7. Notice of proposed sale.

A. Where land has been declared surplus and the intended manner or process by which the sale of the land will be carried out has been approved, the Deputy City Manager, Corporate Services shall give notice to the public of a proposed sale in such manner, following

consultation with the local Councillor, as the Deputy City Manager, Corporate Services may determine, but including at least one of the following methods:

- (1) By posting a sign on the land for a period of not less than seven days.
- (2) By publication in a newspaper in circulation in the area of the land.
- B. A notice of proposed sale given under Subsection A(2) shall contain at least the following information:
  - (1) A general description of the manner by which the sale will be carried out.
  - (2) Location of the land by reference to municipal address or legal description, or both.
  - (3) Approximate size of the land by reference to dimensions and area, or both, and a brief description of any buildings or other improvements situate thereon.
  - (4) The date the land was declared surplus.
  - (5) The name, title, address and telephone number of one or more City officials having information about the proposed sale.
  - (6) The latest date by which enquiries may be made of any official described in Subsection B(5).
- C. A notice of a proposed sale given by posted sign under Subsection A(1) shall contain at least the information described in Subsection B(1) and (5) of this section.

## § 213-1.8. Public Land Register.

- A. The City shall establish and maintain a Public Land Register.
- B. The Public Land Register shall be made available to the public through the City Clerk's Office.
- C. The information necessary to maintain the Public Land Register shall be provided to the Clerk by the Deputy City Manager, Corporate Services.
- D. The Public Land Register shall contain the following information with respect to the listed lands:
  - (1) The municipal address or a description of the location by reference to public highways within the City.
  - (2) Approximate size by reference to dimensions or area, or both.

## § 213-1.9. Exemption from Public Land Register.

The following classes of land are not required to be included in the Public Land Register:

A. Land 0.3 metre or less in width acquired in connection with an approval or decision under the Planning Act.

- B. Highways.
- C. Land formerly used for railway lines.
- D. Easements.

### § 213-1.10. Exemption for Transit Projects.

All lands which are determined by the Deputy City Manager, Corporate Services to be required for the implementation of the Transit Projects shall be exempt from the requirements of Article 1 of this chapter.

#### ARTICLE 2 Delegation of Authorities

#### § 213-2.1. Definitions.

As used in this article, the following terms shall have the meanings indicated:

CITY MANAGER - The person appointed by Council as the City's chief administrative officer under section 140 of the City of Toronto Act, 2006, including successors from time to time.

DEPUTY CITY MANAGER, CORPORATE SERVICES - The City's Deputy City Manager, Corporate Services, including successors from time to time.

DIRECTOR, REAL ESTATE SERVICES – Each of the City's Directors in Real Estate Services, Corporate Real Estate Management Division, including successors from time to time.

EXECUTIVE DIRECTOR, CORPORATE REAL ESTATE MANAGEMENT - The City's Executive Director, Corporate Real Estate Management, including successors from time to time.

MANAGER, REAL ESTATE SERVICES – Each of the City's Managers in Real Estate Services, Corporate Real Estate Management Division, including successors from time to time.

MANAGER, TRANSACTION SERVICES – The City's Manager, Transaction Services in Real Estate Services, Corporate Real Estate Management Division, including successors from time to time.

#### § 213-2.2. Delegation of Approval Authority.

Approval authority for the real estate matters set out in Appendix A to this chapter is delegated to the City Manager; Deputy City Manager, Corporate Services; Director, Real Estate Services; and Manager, Real Estate Services, respectively, as indicated in Appendix A, subject to compliance with the General Conditions set out in Appendix B to this chapter.

## § 213-2.3. Delegation of Signing Authority.

In addition to the signing authorities set out in Toronto Municipal Code Chapter 257, Signing Authority, and subject to compliance with the General Conditions set out in Appendix B to this chapter:

- A. all positions having approval authority pursuant to § 213-2.2 also have signing authority on behalf of the City for documents required to implement matters for which they have approval authority.
- B. for Council-approved expropriations, any one of the Deputy City Manager, Corporate Services; Executive Director, Corporate Real Estate Management; Director, Real Estate Services; and Manager, Transactions Services may sign Applications and Notices.
- C. for purchases, sales and land exchanges not delegated to staff for approval, any one of the Deputy City Manager, Corporate Services; Executive Director, Corporate Real Estate Management; and Director, Real Estate Services may execute agreements of purchase and sale and land exchange agreements, and all implementing documentation, on behalf of the City.

# § 213-2.4. Land Acquired by Expropriation.

In exercising the approval authority delegated pursuant to § 213-2.2., staff is authorized by City Council, as the approving authority under the Expropriations Act, to approve the disposal of land acquired by expropriation without giving the owner from whom the land was expropriated the first chance to repurchase the land on the terms of the best offer received by the expropriating authority, if the expropriation has taken place ten years or more prior to the proposed disposal.

# APPENDIX A

# DELEGATED APPROVAL AUTHORITY

	A. Approval Authority	(1) City Manager	(2) Deputy City Manager, Corporate Services	(3) Executive Director, Corporate Real Estate Management	(4) Director, Real Estate Services	(5) Manager, Real Estate Services
1.	Acquisitions Where total compensation does not exceed:	\$10 Million	\$5 Million	\$3 Million	\$1 Million	\$50,000
2.	<b>Expropriations</b> Statutory offers, agreements and settlements where total compensation does not cumulatively exceed:	\$10 Million	\$5 Million	\$3 Million	\$1 Million	\$50,000
3.	Issuance of RFPs/REOIs	No	Yes	Yes	Yes	No
4.	<b>Permanent Highway Closures</b> Initiate process and authorize General Manager, Transportation Services to give notice of proposed by-law	No	Yes	Yes	Yes	No
5.	Transfer of Operational Management to Divisions, Agencies and Corporations	No	Yes	Yes	No	No
6.	<b>Limiting Distance Agreements</b> Where total compensation does not exceed:	\$10 Million	\$5 Million	\$3 Million	\$1 Million	\$50,000
7.	Disposals: (including Leases of 21 years or more) Where total compensation does not exceed:	\$10 Million	\$5 Million	\$3 Million	\$1 Million	\$50,000
8.	Exchange land in Green Space System and Parks and Open Space Areas of Official Plan	No	Yes	Yes	Yes	No

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	A. Approval Authority	(1) City Manager	(2) Deputy City Manager, Corporate Services	(3) Executive Director, Corporate Real Estate Management	(4) Director, Real Estate Services	(5) Manager, Real Estate Services
9.(a)	Leases/Licences (City as Landlord/ Licensor) Where total compensation (including options/renewals) does not exceed:	\$10 Million	\$5 Million	\$3 Million	\$1 Million	\$50,000
9.(b)	Leases/Licences (City as Landlord/ Licensor) Where compensation is less than market value, including licences for environmental assessments and/or testing, etc., for periods not exceeding:	No	twelve (12) months	twelve (12) months	six (6) months	three (3) months
9.(c)	Leases/Licences (City as Landlord/ Licensor) Where compensation is less than market value, provided tenant and lease satisfy Community Space Tenancy Policy criteria set out in Item EX28.8, as adopted by Council on November 7, 8 and 9, 2017, as amended from time to time.	No	Yes	No	No	No

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	A. Approval Authority	(1) City Manager	(2) Deputy City Manager, Corporate Services	(3) Executive Director, Corporate Real Estate Management	(4) Director, Real Estate Services	(5) Manager, Real Estate Services
10.	Leases/Licences (City as Tenant/ Licensee) Where total compensation (including options/renewals) does not exceed:	\$10 Million	\$5 Million	\$3 Million	\$1 Million	\$50,000
11.(a)	Easements (City as Grantor) Where total compensation does not exceed:	\$10 Million	\$5 Million	\$3 Million	\$1 Million	\$50,000
11.(b)	Easements (City as Grantor) When closing roads, easements to pre-existing utilities for nominal consideration	No	Yes	Yes	Yes	No
12.	Easements (City as Grantee) Where total compensation does not exceed:	\$10 Million	\$5 Million	\$3 Million	\$1 Million	\$50,000
13.	Revisions to Council Decisions in Real Estate Matters Amendment must not be materially inconsistent with original decision (and subject to General Condition (U) in Appendix B)	Yes	Yes	Yes	Yes	No

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	A. Approval Authority	(1) City Manager	(2) Deputy City Manager, Corporate Services	(3) Executive Director, Corporate Real Estate Management	(4) Director, Real Estate Services	(5) Manager, Real Estate Services
14. (a) (b) (c) (d) (e) (f) (g) (h) (i) (j) (k)	Miscellaneous Approvals, Consents, Notices and assignments under all Leases/Licences Releases/Discharges Surrenders/Abandonments Enforcements/Terminations Consents/Non Disturbance Agreements/Acknowledgments /Estoppel Certificates Objections/Waivers/Cautions Notices of Lease and Sublease Consent to regulatory applications by City, as owner Consent to assignment of Agreement of Purchase/Sale; Direction re: Title Documentation relating to Land Titles applications Correcting/ Quit Claim Transfer/Deeds	No	Yes	Yes	Yes	No

# **APPENDIX B**

# **GENERAL CONDITIONS**

(A) The local Councillor (or local Councillors if the subject property is located on a ward boundary or if the transaction involves an exchange of properties in more than one ward), will be consulted prior to the exercise of delegated approval authority by staff for all acquisitions, disposals, land exchanges and leases. In the event of a vacancy in the Ward in which the subject property is located, the Mayor's office shall be consulted in the alternative.

(B) Where approving power has been delegated to staff, the Deputy City Manager, Corporate Services, in consultation with any other applicable Deputy City Manager or the City Manager, may determine that such matter is of such special interest that same should be returned to the relevant Committee and Council for consideration and determination.

(C) Exercise of delegated authority is subject to all applicable Council policies, statutes or other applicable law.

**(D)** Authority to approve financial commitments/expenditures is subject to all amounts being available in an approved budget, or funding being available from third party sources, except for "Strategic Property Acquisitions" as set out in EX44.22 adopted by Council on August 25, 26, 27 and 28, 2014, which identifies alternative funding mechanisms, subject to additional approval requirements.

(E) Property interests are to be based on appraised market value and no interest shall be granted for an amount less than the appraised market value, nor additional compensation paid, unless specifically authorized by City Council.

(F) Authority to approve any transaction is subject to statutory anti-bonusing provisions.

(G) Total compensation means the aggregate of all types of payments, including land value, estimated clean-up costs, potential arbitration awards, loss claims, etc., but exclusive of any applicable taxes and registration costs.

(H) Authority to acquire property is conditional upon provision being made to bring the property into compliance with applicable Ministry of the Environment, Conservation and Parks (or any successor Ministry) or other requirements such that it will be fit for its intended municipal purpose, except for property acquisitions of 50 square metres or less for transit shelter purposes.

(I) Authority to initiate the permanent road closure process in A.4 of Appendix A is conditional upon confirmation by the General Manager, Transportation Services that it is feasible to permanently close the highway.

(J) Disposal authorities in A.7 of Appendix A are subject to the property having been declared surplus, and the disposal policy complied with.

(K) Land exchanges, except for those in A.8 of Appendix A, may be authorized based on the delegated approval authority for disposals in A.7 of Appendix A.

(L) Approval authority with respect to land located in the Designated Waterfront Area, as defined in the Toronto Waterfront Revitalization Corporation Act, 2002, is conditional upon the approval of the Director, Waterfront Secretariat.

(M) Authority to approve an exchange of land in A.8 of Appendix A is conditional upon confirmation by the Chief Planner and Executive Director, City Planning, and the General Manager, Parks, Forestry & Recreation, that the land being exchanged is (i) nearby land of equivalent or larger area, and (ii) of comparable or superior green space utility.

(N) Approval authority in A.9 of Appendix A, Leases (City as Landlord), but not Licences (City as Licensor), is limited to periods (including options/renewals) of less than twenty-one (21) years, as leases of 21 years or more may be authorized based on the delegated approval authority for disposals in A.7 of Appendix A.

(O) Total compensation in leasing matters where the City is landlord (A.9 of Appendix A) includes the value of tenant improvements if factored into tenant's rental payments.

(P) Total compensation in leasing matters where the City is the tenant (A.10 of Appendix A) includes the value of any tenant improvements to be paid by the City.

(Q) Where options/renewals are included in leases, if the renewal rent is to be determined at a date later than the original approval date, total compensation is to be calculated as though all options are exercised, estimating the renewal rent based on the highest rent payable in the first term of the lease.

(R) Total compensation in leasing matters where the City is landlord (A.9 of Appendix A) or tenant (A.10 of Appendix A) is to be calculated from the date of approval pursuant to § 213-2.2. (ie. first allowing for the expiry of any prior approvals, whether by Council or a delegated authority).

(S) Approval authority in leasing matters includes authority to approve renewals/extensions within the parameters of the delegated approval authority.

(T) Approval authority includes authority for amendments within the parameters of the delegated approval authority, the cumulative total of which may not exceed the delegated financial limit.

(U) Where proposed additional amounts in A.13 of Appendix A exceed 10 per cent of the original decision, even if otherwise in compliance with all other conditions, then approval authority is transferred upwards to the next more senior level of approval authority having the relevant overall financial limit.

(V) Approval authority includes authority for all documents necessary to implement the authority, including ancillary agreements, on terms and conditions satisfactory to the approval authority, in consultation with the relevant operating Division(s).

(W) Staff positions referred to in Appendix A include successors from time to time.

(X) Documents are to be in a form satisfactory to the City Solicitor (including indemnity and insurance provisions).

(Y) Delegated signing authorities in § 213-2.3. are conditional upon the documents having received the City Solicitor's prior "Approval as to Form".

(Z) Authority to use land acquired by the City for parking purposes by the Toronto Parking Authority is conditional upon Council enacting a by-law designating such use.

(AA) All residential leasing documents shall adhere to the Residential Tenancies Act, 2006 and any successor legislation.

**(BB)** Despite General Condition (N), approval authority in residential leasing matters is not limited to periods of less than twenty-one (21) years and total compensation in residential leasing matters where the City is landlord is to be calculated based on an assumed term of ten years unless the lease term expressly identified therein is longer.

(CC) Where approval authority has been delegated to the Manager level, such authority shall be conditional upon the Manager first having secured the written concurrence of a second Manager within Real Estate Services, Corporate Real Estate Management Division.

**(DD)** Where the City is transacting with a public agency, and such agency requires that an unqualified environmental indemnity be granted by the City, the authority to acquire property includes authority to grant such an indemnity, provided that the Phase I and Phase II environmental site assessments undertaken on behalf of the City have identified no significant environmental impacts or human health threats, with no, or minor action required ("Low Risk").